

**Global Dialogue Forum on Vocational Education
and Skills Development for Commerce Workers**Geneva
24–25 November 2008

Report of the discussion**Introduction**

1. The Global Dialogue Forum on Vocational Education and Skills Development for Commerce Workers was held at the International Labour Office in Geneva from 24 to 25 November 2008. The Governing Body of the ILO had decided at its 298th Session (March 2007) that the Forum would be held in the 2008–09 biennium, and at its 300th Session (November 2007) that the purpose of the Forum would be to examine current and future skills needs in the commerce sector as a basis for designing skills development strategies and vocational education programmes for workers to support their employment prospects and employability, and to improve business productivity and competitiveness.
2. The Office had prepared an Issues paper¹ to serve as a basis for the Forum's deliberations. The paper examined consumer, business, regulatory and technological trends in commerce and how they were affecting current and future employment and skills requirements. It then examined approaches to forecasting skills needs in the commerce sector and how sectoral training funds had been used to enhance employability, productivity and competitiveness.
3. The Forum was moderated by Ms Elizabeth Thobejane, Acting Senior Executive Manager for Skills Development at the Department of Labour, Pretoria, South Africa. The spokesperson for the Employers' group was Mr Halajian and the spokesperson for the Workers' group was Mr Spaulding. The Secretary-General of the Forum was Mr Tayo Fashoyin, the Executive Secretary was Mr John Sendanyoye and the Clerk was Mr John Myers, all from the Social Dialogue, Labour Law and Labour Administration and Sectoral Activities Department.
4. The Forum was attended by Government representatives from Austria, Bahrain, Botswana, Cameroon, Dominican Republic, Ecuador, Egypt, Greece, Honduras, Lebanon, Malawi, Malaysia, Morocco, Nigeria, Qatar, Rwanda, South Africa, Spain, Suriname, Switzerland, United Republic of Tanzania, Turkey, and the Bolivarian Republic of Venezuela. Six Worker and six Employer representatives attended the Meeting and representatives from the following international non-governmental organizations also attended as observers:

¹ *Vocational education and skills development for commerce workers: Issues paper*, Geneva, ILO, 2008 (vi +14 pp.).

5. Following a welcome address by the Secretary-General and an introduction of the Issues paper by the Executive Secretary of the Forum, there was a presentation on radio frequency identification (RFID) technology now in use in a large hypermarket in Germany. Electronic reader scanning chips embedded in products allowed identification of information on every single product, and improved service to customers. Examples were given of different technologies being applied to enhance the shopping experience and product selection in various store departments, including sports, fresh food, fish and meat, cosmetics, wine and spirits, etc. With the RFID technology, widespread self-checkout would be possible. Testing was under way for wireless payments to be introduced in the future, based on “near field” technology. New technology could benefit employees through improved management and service, health management and improved qualifications and customer satisfaction, designed among other goals to improve worker motivation, teamwork, a better working environment as well as customer relations. The technology helped considerably in supply chains and warehouse operations managing pallets of goods; it was being rolled out for box contents, but would take another 10–15 years to be extensively used at the individual item level.
6. The Chairperson summarized key points arising from the subsequent discussion:
 - making a distinction between large corporations and SMEs;
 - looking at education with regard to how to position young people and develop key competencies, with information technology being one of the key areas;
 - health management, including health and safety;
 - the need to look at the potential impacts of changing technology and the need to train employees in the context of the commerce sector at large, particularly retail; and
 - how to maintain cooperation between governments, workers and employers in planning and delivering training, particularly related to technological change, and preventing job loss.
7. The Forum continued by addressing the four suggested points for discussion, which were as follows:
 1. What kind of training should be provided to meet the evolving skills requirements of commerce enterprises and to enhance commerce workers’ employability in the context of ever more advanced retail technologies, taking into full account the current low-skills base and the high proportion of women workers and temporary and part-time workers in the sector?
 2. How can vocational training systems and their funding and management be improved to make them more responsive to the needs of commerce enterprises for better skilled staff, in line with the introduction of new technologies?
 3. What should be the key elements of national, enterprise and sectoral action plans to improve commerce workers’ skills and employability, and what should be the respective roles and responsibilities of the government, the enterprise, individual workers and worker representatives in ensuring that appropriate training is provided to meet the requirements of businesses with regard to enhanced skills and workers’ employability needs? How should the ILO support the constituents’ efforts in the process?

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4. How can the timeframe for the introduction of new retail technologies and the associated changes in skills requirements be accurately forecast as a basis for effective planning, organization and delivery of worker training and retraining?

 8. As regards point 1, Worker, Employer and Government representatives from many countries spoke on their respective experience in meeting the evolving skills requirements of commerce enterprises. Comments included the following points. It was important to focus not only on training needs arising because of new technology, but also on needs arising from other issues such as employability. Regarding the effects of new technology on jobs, there would be changes in both quality and quantity of jobs. New technology did not always mean a reduction in the number of employees – it had led to an increase in jobs in certain areas. Technology had to complement, not substitute for services. Much of the new technology was simple to train for and it was far more important to train for customer service. Confidence was as important as IT skills and the educational system needed to encourage self-confidence in young people. It was important to keep in mind the changes to the workforce, particularly the increasing number of immigrants. The retail sector was often an entry point for these workers and it was important to take their needs into account when designing skills development strategies. The Issues paper for the Forum had focused particularly on developed economies, but the informal economy was key in many countries, where the majority of retailers were informal and had no access to training. It was important to take into account this disparity when considering training needs.

 9. On point 2, it was imperative to differentiate between skills development programmes for current staff and for those to be employed in the future, and between training needs of large firms versus SMEs. The facilitation role of governments on skills development for the sector should include promoting a conducive framework, ensuring broad participation, encouraging impact assessment of the training and skills development programmes, and supporting SMEs, informal and vulnerable workers. Coordination between labour, education, trade and other ministries was a positive experience in many countries. Apprenticeship training programmes were useful, although there were some limitations and problems related to time, resources and financial incentives. Skills development programmes could also play a role in identifying training needs at an early stage and being a source of career advice for young people. It was important to engage all the social partners in setting the learning standards and frameworks. The current financial crisis actually increased the need for training, and technology could be used to aid such training. Governments should take a lead role with employers, trade unions and employees in a tripartite structure. Trainers needed competency-based and appropriate training materials that raised the skills of trainees according to occupational educational standards, yet that was rarely the case.

 10. On point 3, action plans should be drafted within a tripartite framework; resources needed to be secured for their implementation; they ought to be harmonized at national, sectoral and enterprise levels; they should focus on young workers likely to risk long-term unemployment; and ILO technical support was needed to support their implementation. There was a need to strengthen the employability of disadvantaged groups.

 11. On point 4, it was agreed that dialogue contributed to better designed research on needs assessment as employers' and workers' organizations in the sector were in a position to usefully inform the needs identification process. Governments needed to ensure the establishment and proper functioning of skills identification and forecasting systems nationally and sectorally, involving enterprises and tripartite dialogue. It was also important to collate occupations into job families as a way to strengthen learning and career pathways. To move the current process forward, more concrete work would be necessary, for example, research on what occupations were involved, dialogue with experts and at a tripartite level and specific research commissioned. Educational institutions also

had a role to play from a technical perspective, for example, in the provision of technical inputs behind accurate skills identification and research.

Consideration and adoption of the points of consensus

12. At the end of its second day, the Forum adopted a set of points of consensus, following detailed discussion of a draft prepared by the Office.

Points of consensus on Vocational Education and Skills Development for Commerce Workers

General introduction

Government, Employer and Worker representatives attended the Global Dialogue Forum on Vocational Education and Skills Development for Commerce Workers, held at the ILO, Geneva, 24–25 November 2008. The Forum was called to develop consensus-based recommendations on the design of skills strategies and vocational education programmes for workers in the commerce sector, as a means of supporting their employment prospects and employability, while also improving business productivity and competitiveness. Social dialogue is important to cope with upcoming changes. The Forum developed consensus on the following.

Points of consensus

Point 1: Ensuring training meets the evolving skills requirements of large, small, medium-sized and informal commerce enterprises while enhancing commerce workers' employability

1. The design of vocational educational and skills development strategies and programmes for commerce workers should take into account the sector's disparity, which ranges from large multinational firms, through small and medium-sized enterprises, to informal traders.
2. Given its complexity and the rapid pace of technological and other change in the sector, the industry should play the central role in identifying its own priority skills requirements, in determining the education, training and qualification systems that are most in line with its needs, and in designing the corresponding competency standards.
3. Training should also encompass the sector's need for a wide variety of skills to meet the job requirements of a multitude of occupations, including from entry level up to high-level management. Supply chain and distribution centre logistics, marketing, customer care and lower level shop-floor functions should also be accommodated.
4. Lifelong learning should be encouraged in the workplace at all levels, so that employees continue to learn, both for their own employability and to support enterprises' changing skills requirements.
5. Access to training should be provided to all employees, with particular attention to those with special needs.

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6. National education systems need to be better aligned with labour market requirements, ensuring the promotion of basic numeracy, literacy, communications and information technology skills. Basic initial education should aim, among other things, at increasing young people's self-confidence, because such personal attributes are of similar importance in employees as their technological skills.
 7. Education and vocational training systems should also be encouraged to establish synergies between practical and theoretical learning, because this can improve job opportunities for first-time labour market entrants. Furthermore, education and training should be complementary, and creating linkages between the education system and the commerce industry should enhance their relevance. This could be achieved, for example, through apprenticeships and other competence-based training approaches to facilitate mobility for workers into management positions.
 8. Competence should be the key objective of education and vocational training, and be evident in the work of all training institutions, along with the recognition of qualifications. Competence development should also support the possibility of mobility – including at the international level.
 9. Education curricula and the content of vocational training should reflect changes in skills requirements.
 10. Training should not only take into account the skills requirements of new technologies and other change factors, but also extend to such other issues as health and safety management, and customer care.
 11. There is a need to upgrade fundamental skills and to ensure that employees continue to learn in the workplace.
 12. The design of training programmes should take account of workforce demographic changes, particularly the increasing number of migrant workers. In many countries, social exclusion tends to be particularly serious among the migrant population, and this calls for special attention to be given to integrating young people with a migrant background into public education systems. Governments play a critical role in enabling this.
 13. Company training measures in the retail subsector should recognize the possible diversity of their workforce.

Point 2: Improving vocational training systems and making them more responsive to the needs of commerce enterprises for better skilled staff

14. Vocational and skills development for commerce workers need to address the sector's skills mismatch and to promote social and economic development, taking into account changing economic scenarios and emerging skills requirements.
15. Tripartite dialogue is essential to ensure that training is fully relevant to the needs of the sector. Better planning and social partner participation are essential for long-term sustainability of vocational education and skills development, the objectives of which should be to enhance employability and decent work; governments should therefore provide an effective platform for tripartite dialogue on training at all levels.
16. Several good practice models exist not just on vocational education and training, but also to impart competencies. Examples could be emulated by the social partners in cooperation

with the competent authorities, to expand the possibility of international mobility of commerce workers.

17. SMEs, which have fewer resources than large firms, could overcome this constraint by pooling resources to jointly train their staff or by cooperating with larger firms. Governments should also provide them with appropriate support to assist in their staff training.

Point 3: Key elements of action plans to improve commerce workers' skills and employability

18. National action plans for vocational education and skills development for commerce workers need to be flexible, taking into account the size, diversity and level of development of the sector in each country.
19. The sector may employ many millions of workers in one country, while providing jobs for only a few thousand in another. It is also highly modernized and consolidated in some countries, with jobs concentrated in a few large firms, while extremely fragmented in others. In view of such diversity, the role of governments and the social partners may also differ considerably, and national action programmes should be put in their specific economic and social contexts.
20. Notwithstanding these caveats, governments have a responsibility to ensure educational and skills development systems that support the needs of industry, its workers, citizens and society as a whole.
21. Among governments' fundamental roles should be overseeing the education and training "pipeline"; ensuring that education lays the foundation for basic skills, that workers leave school with qualifications, and that the vocational training system is fully aligned to industry and individual needs. Governments should ensure tripartite involvement in the design of the vocational education system and skills training programmes, including effective consultation with the social partners on the basic education required for future workers, and on the training needed by young and older workers and workers with learning disabilities.
22. Governments and industry must guard against the temptation of treating training as a discretionary expenditure, given its important contribution to economic and social objectives. Resources for vocational education and skills development should therefore be enhanced rather than reduced during economic crises.
23. There is a need to ensure an adequate resourcing system and a broad range of financial and other incentives for training, and a system that encourages industry to contribute sufficiently to skills development.
24. The apprenticeship and vocational education and training (VET) models, which cut across all ages and all worker groups, and which lead to the development of skills in high demand, are suitable for all occupations in many different countries; they should be actively promoted because they are particularly effective in integrating training and experience.
25. The ILO should undertake research to evaluate the effectiveness of existing vocational education and skills training systems and programmes for commerce workers implemented in different countries, and disseminate the findings to assist its constituents in the design of similar systems in their own countries.

Point 4: Skills forecasting and skills identification systems

26. Dialogue contributes to research on needs assessment, and employers and employees could inform the needs identification process. The ILO should support this effort and supplement it with small international tripartite forums such as this one, to facilitate the sharing of forecasting experiences. Existing regional forums could be used for discussion on the issue and to share best practices. Such forums require tripartite dialogue, with discussion kept open and flexible.
27. Forecasting about mobility within job families can strengthen learning and career pathways, to encourage lateral and horizontal career moves. It also enhances employability.
28. Governments should ensure the functioning of skills identification, skills adaptation and skills forecasting systems nationally and sectorally. Such systems, which should be subject to tripartite dialogue, should be linked to planning, and encourage inputs from educational institutions, which have a role from a technical perspective, for example, in adapting technical input about accurate skills identification and research.
29. More work by the ILO is necessary as regards commissioning research on which occupations are evolving, and promoting dialogue with experts and at the tripartite level on this research. Small sectoral dialogue forums on commerce would be the correct place to steer and commission research. Findings should be translated into more general skills development aims. The timeframe for forecasting [changing skills requirements] is variable from country to country and is difficult to assess, but should be adapted to national and sectoral conditions.

Evaluation questionnaire

A questionnaire seeking participants' opinions on various aspects of the Forum was distributed before the end of the Forum. Their responses as well as some statistics concerning participation are provided hereunder.

1. How do you rate the Meeting as regards the following?

	5	4	3	2	1	
	Excellent	Good	Satisfactory	Poor	Unsatisfactory	Average score
The choice of agenda item (subject of Forum)	6	3				4.70
The points for discussion	3	6				4.30
The quality of the discussion	8	1				4.90
The Forum's benefits to the sector	2	7				4.20
The points of consensus	1	8				4.10
Opportunity for networking	2	7				4.20

2. How do you rate the quality of the draft points of consensus in terms of the following?

	5	4	3	2	1	
	Excellent	Good	Satisfactory	Poor	Unsatisfactory	Average score
Quality of content	6	3				4.70
Objectivity	2	7				4.20
Comprehensiveness of coverage	3	5	1			4.20
Presentation and readability	2	7				4.20
Amount and relevance of information	1	7	1			4.00

3. How do you consider the time allotted for discussion?

	Too much	Enough	Too little
Plenaries		9	
Group meetings		9	

4. How do you rate the practical and administrative arrangements (secretariat, document services, translation, interpretation)?

Excellent	Good	Satisfactory	Poor	Unsatisfactory	Average score
5	4				4.60

5. Respondents to the questionnaire

Government	Employers	Workers	Observers	Total	(Response rate: 20.45%)
9				9	

6. Participants at the Meeting

Government	Employers	Workers	Technical advisers	Observers	Total
21	6	4	13	0	44

List of participants
Liste des participants
Lista de participantes

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